

Meeting Copy

AGENDA

STATE BUILDING COMMISSION MEETING

EXECUTIVE SUBCOMMITTEE

EXECUTIVE CONFERENCE ROOM

GROUND FLOOR, STATE CAPITOL

AUGUST 25, 2006

9:30 A.M.

UNIVERSITY OF TENNESSEE

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Knox County – 500 West Summit Hill Avenue, Knoxville, TN – Trans. No. 06-07-917 (JS)

Purpose: To provide space for three Ultra Science Net Project equipment tracks

Term: The proposed lease term is for three (3) years with four (4) 3-year options to renew.

Proposed Amount:	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	\$50,040.00	
	Est. Annual Alterations:	<u>\$ 3,122.00</u>	One-time fee
	Total Annual Effective Cost:	\$53,162.00	

Current Amount: None

Type: New Lease – Negotiated

Lessor: Digital Crossing Networks, LLC

SSC Report: 08-14-06. Bob King summarized the transaction. Alvin Payne presented the transaction and explained its purpose. All local hospitals and Education's K-12 grade programs will be connect to this network. Staff referred to Sub-Committee with discussion.

TENNESSEE BOARD OF REGENTS

MIDDLE TENNESSEE STATE UNIVERSITY, MURFREESBORO, TENNESSEE

- 1) Review of a request for APPROVAL of a CHANGE in the SOURCE of FUNDING for **Baseball Stadium Upgrade** at Middle Tennessee State University in Murfreesboro, Tennessee.

Estimated Project Cost:	\$5,000,000.00		
<u>Source of Funding:</u>	<u>Original</u>	<u>Incr/Decrease</u>	<u>Revised</u>
Campus Plant Funds	500,000.00	0.00	500,000.00
City of Murfreesboro	1,500,000.00	0.00	1,500,000.00
Athletic Gifts	3,000,000.00	-1,000,000.00	2,000,000.00
TSSBA (gifts)	0.00	1,000,000.00	1,000,000.00
TOTAL	5,000,000.00	0.00	5,000,000.00
<i>SBC Project No.</i>	<i>166/009-11-2005</i>		

Moody Nolan, Inc are the designers for upgrades to the Baseball Stadium and surrounding site including expansion of spectator seats, skyboxes, press box, concessions, restrooms, ADA accessibility, parking, vehicular access, and a pedestrian plaza.

- 2) Review of a request for APPROVAL to DEMOLISH a housing maintenance building, which is within the scope of a project for **Parking and Transportation Improvements** at Middle Tennessee State University in Murfreesboro, Tennessee.

Estimated Project Cost:	\$15,000,000.00
<u>Source of Funding:</u>	
TSSBA (Campus Auxiliary-Parking Fees)	14,600,000.00
Campus Auxiliary-Parking Fees	239,150.00
Property Sale Proceeds	160,850.00
<i>SBC Project No.</i>	<i>166/009-01-2003</i>

Lose & Associates is the designer of this project to design and construct parking spaces, pedestrian paths, associated infrastructures, landscaping, sidewalks, lighting, and related work in a multi-year long-range plan for transportation and parking systems, pedestrian ways, and exterior lighting. This demolition of a Housing Maintenance Building is within the scope of the parking improvements project and will cost approximately \$25,000, but will not increase the total project cost.

UNIVERSITY OF MEMPHIS, MEMPHIS, TENNESSEE

- 1) Review of a request for APPROVAL to INCLUDE COMMISSIONING for **Variable Flow Pumping** at the University of Memphis in Memphis, Tennessee.

Estimated Project Cost: 3,940,000.00

Source of Funding:

05 G.O. Bonds-Capital Maint 3,700,000.00

05/06 Current Funds-Capital Maint 240,000.00

SBC Project No. 166/007-11-2005

SSR Ellers, Inc. is the designer of this project to provide a variable flow chilled water distribution system for the central cooling plant to meet water flow needs and accommodate four future chillers and related equipment. Commissioning is included in the scope of the project and will not increase the total project cost.

TENNESSEE LOCAL DEVELOPMENT AUTHORITY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION TO ACCEPT required interest in the following real property:

Description: Hardeman County - 22.663 +/- acres with improvements located at 208 Hope Street, Bolivar, TN - Trans. No. 06-04-009(JB)

Purpose: Conveyance is in exchange for the TLDA (Tennessee Local Development Authority) releasing Hardeman County Development Services Center, Inc. from indebtedness on the property.

Funding: Line item appropriation of \$878,000 to pay off bonds.

Grantors: Hardeman County Development Services Center, Inc.

SSC Report: 8-14-06. Jurgen Bailey summarized the transaction. Mary Margaret Collier from Bond Finance presented the purpose of this transaction. She stated that Bond Finance will pay off the \$878,000.00 debt on September 1st, 2006 if approved by SBC. Staff referred to Subcommittee with recommendation.

STATE FUNDING BOARD

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER OF ADVERTISEMENT AND APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description: Hardeman County - 22.663 +/- acres with improvements located at 208 Hope Street, Bolivar, TN – Trans. No. 06-08-002 (JB)

Purpose: Convey property to City of Bolivar for “public purpose”.

Funding: Grant

Grantee: City of Bolivar

Grantors Unto State: Hardeman County Development Services Center, Inc.

SSC Report: 8-14-06. Jurgen Bailey summarized the transaction. The City of Bolivar will use the property for a Boys & Girls Club. Staff referred to Subcommittee with recommendation.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by LEASE of interest in real property with WAIVER OF ADVERTISEMENT AND APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description:	<u>Dyer County – 64 +/- acres – Tigrett Wildlife Management Area, Dyersburg, TN – Trans. No. 06-07-007 (FB)</u>
Purpose:	Disposal by Lease to the Northwest TN Shooting Sports Association for fifteen (15) years. The association will build and maintain a shooting range at no cost to the State.
Term:	Fifteen (15) years
Consideration:	No cost
Lessee:	Northwest Tennessee Shooting Sports Association
SSC Report:	8-15-06. Jurgen Bailey summarized the transaction. John Gregory stated this will be a no-cost to the State facility that would emphasize firearms training and hunter safety programs. Funding for this facility will come from membership dues. Staff referred to Sub-Committee with recommendation.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by LEASE of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description:	<u>Henry County – 101.57 +/- acres – Austin Peay Memorial Highway, Paris, TN – Trans. No. 06-07-012 (FB)</u>
Purpose:	Disposal by Lease to Henry County for twenty-five (25) years. The county will build and maintain a shooting range at no cost to the State.
Term:	Twenty five (25) years
Consideration:	No cost
Lessee:	Henry County
Comments:	The range is greatly needed for up and coming scholastic shooting/archery sports events.
SSC Report:	8-15-06. Jurgen Bailey summarized the transaction. John Gregory stated that sport shooting popularity in high school has increased significantly over the past 10 years and that the proposed shooting range would greatly benefit Henry County. Staff recommended that the lease be cancelable if the property ceased to be used as a shooting range. Staff referred to Sub-Committee with recommendation.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, WAIVER (1) APPRAISAL not to exceed the appraised value for the property being acquired:

Description:	<u>Various Counties - 12,550 +/- acres owned by Bowater's, Inc., 21 tracts located across Tennessee Plateau – Trans. No.06-08-001 (GM)</u>
Purpose:	Acquisition in Fee of significant tracts of land owned by Bowater, Inc. in counties adjacent to the Cumberland Trail. The land is needed for conservation of the trail corridor.
Funding:	\$20,000,000.00 Bond
Cost:	\$1,385 per acre X 12,550 acres=\$ 17,381,750.00.
Comment:	We propose to close with Bowater, Inc. on the estimated acreage. We will then complete surveys on all the tracts. If acreage comes out differently, then adjustments will be made either in the State's or Bowater's favor based on the per acreage price established.
SSC Report:	8-14-06. Jurgen Bailey summarized the transaction. Commissioner Fyke stated that this was a tremendous opportunity for the State to acquire important tracts of land out of the Bowater land inventory. The State would acquire all land and timber rights, except for 70 acres at the Virgin Falls tract in White County, which would be appraised for the land only. Additional approval was requested to appraise the mineral rights on the North Chickamauga tracts. Staff referred to Sub-Committee with recommendation.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Henderson County – 101.25 +/- acres - Parkers Crossroads, TN – Trans. No. 06-07-017 (GM)</u>
Purpose:	Acquisition in Fee Simple to prevent the historic site from being destroyed by developers.
Source of Funding:	State Land Acquisition Fund National Park Service Civil War Preservation Fund
Estimated Cost:	Fair Market Value
Owner(s):	Gregory T. & Barbara A. Britt
Comment:	The Battle of Parker's Crossroads is listed as one of Tennessee most significant battles. The battlefield is listed on the Historic Register of Historic Places.
SSC Report:	8-14-06. Jurgen Bailey summarized the transaction. Mr. Fred Prouty, Historical Commission, expressed the significance of the transaction. This tract located on the north side of I-40 was the beginning point of the Battle of Parkers Crossroads. Staff referred to Sub-Committee with recommendation.

TENNESSEE BUREAU OF INVESTIGATION

LEASE AMENDMENT

Review of a request for APPROVAL of the following LEASE AMENDMENT for the rental of real property as required by TCA 12-2-115:

Location: Knox County – 4420 Whittle Springs Road, Knoxville, TN – Trans. No. 01-05-908 (JS)

Purpose: To provide office space for area operations

Term: March 1, 2007 thru August 31, 2008 (1yr & 6 months)

Proposed Amount:	<u>6,258 Square Feet</u>		
	Annual Contract Rent:	\$ 99,600.00	@\$15.92/sf
	Est. Annual Utility Cost:	\$ 8,761.20	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 6,883.80</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$115,245.00	@\$18.42/sf

Current Amount:	<u>6,258 Square Feet</u>		
	Annual Contract Rent:	\$75,000.00	@\$11.98/sf
	Est. Annual Utility Cost:	\$ 8,761.20	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 6,883.80</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$90,645.00	@\$14.48/sf

Type: Amendment #1 – Negotiated

FRF Rate: \$14.00 per square feet

Lessor: Michael E. Cohen, current lessor

Comment: The proposed amendment allows TBI to remain in the same space until construction of a new TBI facility at Strawberry Plains is completed in September 2008.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee with recommendation.

STATE BUILDING COMMISSION

MINUTES OF MEETING

- 1) READING and APPROVAL of the Minutes of the Executive Subcommittee meeting held on July 24, 2006.

CONSENT AGENDA

Review of a request for APPROVAL of the following REAL PROPERTY TRANSACTIONS, which have been reviewed and recommended for approval by Sub-Committee staff:

- A. Agency: University of Tennessee – Blount County
Transaction: Lease Agreement
- B. Agency: Tennessee Board of Regents – Montgomery County
Transaction: Acquisition in Fee by Gift
Provision: Waiver of Appraisals
- C. Agency: Tennessee Wildlife Resources Agency – Giles County
Transaction: Acquisition in Fee
- D. Agency: Tennessee Wildlife Resources Agency – Hardin County
Transaction: Disposal by Easement
Provision: Waiver of Advertisement & Appraisals
- E. Agency: Department of Environment & Conservation – Henderson County
Transaction: Acquisition in Fee
Provision: Waiver of Appraisal
- F. Agency: Department of Environment & Conservation – Sumner County
Transaction: Acquisition in Fee
- G. Agency: Department of Environment & Conservation – Pickett County
Transaction: Acquisition in Fee
- H. Agency: Department of Environment & Conservation – Humphrey County
Transaction: Acquisition in Fee
- I. Agency: Department of Environment & Conservation - Cheatham County
Transaction: Acquisition in Fee
Provision: Waiver of Appraisals
- J. Agency: Department of Environment & Conservation – Grundy County
Transaction: Acquisition in Fee
- K. Agency: Department of Environment & Conservation – Obion County
Transaction: Donated Conservation Easement
Provision: Waiver of Appraisals
- L. Agency: Department of Revenue - Bedford County
Transaction: Lease Agreement

- M. Agency: Department of Children's Services - Davidson County
Transaction: Lease Agreement
- N. Agency: Department of Children's Services - Davidson County
Transaction: Lease Agreement
Provision: Waiver of Advertisement
- O. Agency: Department of Children's Services - Davidson County
Transaction: Lease Amendment
Provision: Reduce square footage
- P. Agency: Comptroller of Treasury – Greene County
Transaction: Lease Agreement
- Q. Agency: Department of Health – Davidson County
Transaction: Lease Amendment
Provision: Reduce annual rent
- R. Agency: Department of Human Services – Determination Disability Services
Transaction: Lease Amendment
Provision: Reduce annual rent
- S. Agency: Finance & Administration for Community Services Agency – Knox County
Transaction: Lease Agreement
- T. Agency: Finance & Administration for Community Services Agency – Shelby County
Transaction: Lease Agreement
Provision: Waiver of Advertisement
- U. Agency: Finance & Administration for Community Services Agency Washington County
Transaction: Lease Agreement
- V. Agency: Department of Safety – Rutherford County
Transaction: Lease Agreement
Provision: Waiver of Advertisement
- W. Agency: Department of Safety – Shelby County
Transaction: Lease Agreement
Provision: Waiver of Advertisement
- X. Agency: Department of Environment & Conservation – Anderson County
Transaction: Demolition of Water Plant Facility – Norris Dam State Park
Provision: SBC Project No. 126/063-01-2006

UNIVERSITY OF TENNESSEELEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Blount County – Hanger #4, McGee Tyson Airport, 2285 Airport Highway, Alcoa, TN – Trans. No. 06-07-918 (JS)

Purpose: To provide office and hanger space for Flight Operations

Term: February 1, 2007 thru January 31, 2017 (10 yrs)

Proposed Amount: 3,268.55 Square Feet
 Annual Contract Rent Incl. Annual
 Utility & Janitorial Cost: \$21,931.99 @\$6.71/sf
 Total Annual Effective Cost: \$21,931.99 @\$6.71/sf

Current Amount: None

Type: New Lease – Negotiated

FRF Rate: \$13.50 per square feet

Purchase Option: No – Multi-tenant

Lessor: Tac Air, Inc.

Comment: The proposed lease provides (1) on each lease anniversary date, rental rate may increase or decrease up to three (3) percent of consumer price index, and (2) proposed lease has no cancellation for the first five years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 08-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, WAIVER of APPRAISALS not to exceed the appraised value for the property being acquired:

Description:	<u>Montgomery County – 7.721 +/- acres – unimproved – adjoining Tennessee Technology Center at Dickson, Clarksville Industrial Training Facility – 3789 Guthrie Hwy., Clarksville, TN –Trans. No. 05-11-016 (LW)</u>
Purpose:	Acquisition in Fee by Gift for the proposed construction of additional space for classrooms, storage, offices, laboratories, and training workshops related to truck driving, auto body, building trades, HVAC, industrial maintenance, dental, graphics, business systems and computers.
Source of Funding:	Operational 2005-2006 State Funds
Owner(s):	Montgomery County Industrial Development Board
Comment:	Within Master Plan expansion area.
SSC Report:	7-17-06. Transaction was previously deferred due to deed restrictions, which have been amended. Request final approval.
SSC Report:	8-15-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

TENNESSEE WILDLIFE RESOURCE AGENCYLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Giles County – 2.7 +/- acres – Pulaski, TN – trans. No. 06-07-001 (RJ)

Purpose: Acquisition in Fee to allow recreational access to Richland Creek.

Source of Funding: TWRA

Estimated Cost: Fair Market Value

Owner(s): Joe Smith

SSC Report: 8-14-06. Jorgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

TENNESSEE WILDLIFE RESOURCE AGENCYLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description: Hardin County – 67 +/- acres – Crooked Creek within White Oak Wildlife Management Area, Milledgeville, TN – Trans. No. 06-07-011 (RJ)

Purpose: Disposal by Easement for Crooked Creek Stream Restoration. The project requires an easement extending from the southern and eastern property boundaries to the north and west, up to the edge of proposed riparian buffers on the opposite side of the restored streams. Primary focus is to restore stream stability, eliminate bank erosion, improve in-stream habitat and enhance the riparian zone.

Estimated Sale Price: Gift

Grantee: Tennessee Wildlife Resources Foundation

Comment: Crooked Creek and four (4) unnamed tributaries extend 10,413 ft. within White Oak Wild Life Management Agency.

SSC Report: 8-15-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF ENVIRONMENT & CONSERVATIONLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, with WAIVER OF APPRAISALS not to exceed the appraised value for the property being acquired:

Description:	<u>Henderson County – 39.71 +/- acres – Parkers Crossroads, TN – Trans. No. 06-07-013 (GM)</u>
Purpose:	Acquisition in Fee Simple to prevent the historic site from being destroyed by developers.
Source of Funding:	State Land Acquisition Fund
Estimated Cost:	Gift
Owner(s):	Civil War Preservation Trust
Comment:	The Battle of Parker's Crossroads is listed as one of Tennessee most significant battles. The battlefield is listed on the Historic Register of Historic Places.
SSC Report:	8-14-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF ENVIRONMENT & CONSERVATIONLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Sumner County – 93.75 +/- acres – North of Bledsoe Creek State Park, Gallatin, TN – Trans. No. 06-07-014 (FB)

Purpose: Acquisition in Fee to provide an adequate land base for the park. Presently the park is basically a campground with no land available for programming, trail construction or cultural or historical interpretation.

Source of Funding: State Land Acquisition Fund

Estimated Cost: \$525,000

Owner(s): Nathan & Joseph Daniel Harsh

SSC Report: 8-14-06. Jurgen Bailey summarized the transaction. Mike Baumstark presented the transaction and stated that Nathan Harsh (father) had a Life Estate reserved on 1/3 of the property. Staff referred to Sub-Committee for consent agenda if the life estate is removed.

Letter was received by the agency that Nathan Harsh will remove the life estate encumbrance if state acquires property from son.

DEPARTMENT OF ENVIRONMENT & CONSERVATIONLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Pickett County – 8 +/- acres – Cordell Hull State Park, Byrdstown, TN – Trans. No. 06-07-015 (FB)

Purpose: Acquisition in Fee to provide protection of the entrance to Bunkum Cave.

Source of Funding: State Land Acquisition Fund

Estimated Cost: \$55,000

Owner(s): GBJ Land Co., Inc. et/al

Comment: This acquisition will give the park the ability to control access to the site from that area.

SSC Report: 8-14-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF ENVIRONMENT & CONSERVATIONLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Humphrey County – 24.47 +/- acres – N. Johnsonville Welcome Center, New Johnsonville, TN – Trans. No. 06-07-016 (FB)

Purpose: Acquisition in Fee to built a new Welcome Center for the Johnsonville State Park.

Source of Funding: State Land Acquisition Fund

Estimated Cost: Gift

Owner(s): Humphrey County

SSC Report: 8-14-06. Jorgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF ENVIRONMENT & CONSERVATIONLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, with WAIVER OF APPRAISALS not to exceed the appraised value for the property being acquired:

Description:	<u>Cheatham County – 3.4 +/- acres – located halfway between Hidden Lake & Kingston Springs, Pegram, TN – Trans. No. 06-07-018 (GM)</u>
Purpose:	Acquisition in Fee Simple to provide access to the Harpeth River
Source of Funding:	State Land Acquisition Fund
Estimated Cost:	Fair Market Value
Owner(s):	James Dawson
Comment:	This tract coincides with the Master Plan to provide canoe/kayak access areas every nine miles.
SSC Report:	8-14-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF ENVIRONMENT & CONSERVATIONLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Grundy County – 10.0 +/- acres – South Cumberland State Park, Gruetli-Laager, TN – Trans. No. 06-07-019 (GM)

Purpose: Acquisition in Fee Simple to provide additional buffer from residential development. The acquisition will also straighten and enhance the park boundary.

Source of Funding: State Land Acquisition Fund

Estimated Cost: Fair Market Value

Owner(s): Friends of South Cumberland Recreation Area, Inc.

SSC Report: 8-14-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONLAND ITEM

Review of a request for APPROVAL of the following ACQUISITION by EASEMENT of interest in real property with WAIVER OF APPRAISALS as required by TCA 4-15-102 and 12-2-106.

Description: Obion County – 3.0+/- acres - located near Union City, TN – Trans. No. 06-07-021 (JB)

Purpose: These donated conservation easements will reduce the possibility of catastrophic flooding in the community of Rives, TN

Estimated Cost: Gift

Owners: Kenneth Frank Cheatham – 1.58 acres
William H. Lattimer – 1.64 acres

Grantee: West Tennessee River Basin Authority

SSC Report: 8-14-06. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF REVENUELEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Bedford County – 321 Bethany Lane, Suite C & D, Shelbyville, TN – Trans. No. 06-02-912 (JS)

Purpose: To provide office space for area operations

Term: March 1, 2007 thru February 28, 2017 (10 yrs)

Proposed Amount: 3,675 Square Feet

Annual Contract Rent:	\$30,000.00	@ \$ 8.16/sf
Est. Annual Utility Cost:	\$ 4,042.00	@ \$ 1.10/sf
Est. Annual Janitorial Cost:	<u>\$ 4,042.00</u>	<u>@ \$ 1.10/sf</u>
Total Annual Effective Cost:	\$38,084.00	@ \$10.36/sf

Current Amount: 2,955 Square Feet

Annual Contract Rent:	\$21,600.00	@ \$7.31/sf
Est. Annual Utility Cost:	\$ 3,250.50	@ \$1.10/sf
Est. Annual Janitorial Cost:	<u>\$ 3,250.50</u>	<u>@ \$1.10/sf</u>
Total Annual Effective Cost:	\$28,101.00	@ \$9.51/sf

Type: New Lease – Advertise – Lowest of four (4) proposals from two (2) proposers.

FRF Rate: \$12.50 per square feet

Purchase Option: No – Multi - tenant

Lessor: Shelbyville Self Storage, current lessor

Comment: The proposed lease provides (1) Lessor will construct 720 square feet of rentable space including interior improvements at no additional cost to the State, (2) Lessor is to furnish water/sewer and (3) proposed lease has no cancellation for the first five years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF CHILDREN'S SERVICESLEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Davidson County – 287 Plus Park Blvd., Nashville, TN – Trans. No. 06-03-908 (JS)

Purpose: To provide office space for Mid-Cumberland Region

Term: March 1, 2007 thru February 28, 2017 (10 yrs.)

Proposed Amount: 14,100 Square Feet

Annual Contract Rent:	\$140,295.00	@ \$ 9.95/sf
Est. Annual Utility Cost:	\$ 19,740.00	@ \$ 1.40/sf
Est. Annual Janitorial Cost:	<u>\$ 15,510.00</u>	<u>@ \$ 1.10/sf</u>
Total Annual Effective Cost:	\$175,545.00	@ \$12.45/sf

Current Amount: 4,400 Square Feet

Annual Contract Rent incl. Annual utility & Janitorial Cost:	<u>\$60,500.04</u>	<u>@ \$13.75/sf</u>
Total Annual Effective Cost:	\$60,500.04	@ \$13.75/sf

Type: New Lease – Advertise – Received three (3) proposals from two (2) proposers.

FRF Rate: \$18.00 per square foot

Purchase Option: No – Multi-tenant

Lessor: Daymar Properties of Nashville, LLC

Comment: The proposed lease provides (1) Lessor will build-out 14,100 square feet of rentable space including interior improvements at no additional cost to the State, (2) proposed lease has no cancellation for the first five years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF CHILDREN'S SERVICESLEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Davidson County – 550 Metroplex Drive, Nashville, TN – Trans. No. 06-06-904 (JS)

Purpose: To provide office space for Central Intake Unit

Term: October 1, 2006 thru September 30, 2007 (1 yr)

Proposed Amount: 8,813 Square Feet

Annual Contract Rent Incl. Annual		
Utility & Janitorial Cost	<u>\$149,820.96</u>	<u>@\$ 17.00/sf</u>
Total Annual Effective Cost:	\$149,820.96	@ \$ 17.00/sf

Current Amount: State space at old TPS campus

Type: New Lease - Negotiated

FRF Rate: \$18.00 per square foot

Purchase Option: No – multi-tenant

Lessor: Amsouth Bancorporation

Comment: The proposed lease provides a 90-day cancellation.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF CHILDREN'S SERVICES

LEASE AMENDMENT

Review of a request for APPROVAL of the following LEASE AMENDMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Madison County – Delta Building, 33 Old Hickory Blvd., East, Jackson, TN – Trans. No. 01-09-907 (BK)

Purpose: Reduction of square footage.

Term: August 1, 2006 thru June 30, 2007 (11 mon)

Proposed Amount:	<u>19,117 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility Cost:	\$195,949.32	@\$10.25/sf
	Est. Annual Janitorial Cost:	<u>\$ 21,028.70</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$216,978.02	@\$11.35/sf

Current Amount:	<u>24,985 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility Cost:	\$256,096.32	@\$10.25/sf
	Est. Annual Janitorial Cost:	<u>\$ 27,483.50</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$283,579.82	@\$11.35/sf

Type: Amendment #3 – Negotiated – Reduce square footage

FRF Rate: \$13.50 per square feet

Lessor: Maggie Jill Emerson, current lessor

Comment: The proposed amendment provides (1) reduction in square feet of 5,868, (2) Lessor to provide utilities at no additional cost to the State, and (3) all other terms and conditions of the Lease Agreement shall remain unchanged and in full force and effect.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

COMPTROLLER OF TREASURYLEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Greene County – Old Stage Road, Lot 8, Greeneville, TN – Trans. No. 06-01-905 (JS)

Purpose: To provide office space for Division of Property Assessment

Term: August 1, 2007 thru July 31, 2017 (10 yrs.)

Proposed Amount: 3,185 Square Feet

Annual Contract Rent:	\$33,132.00	@\$10.40/sf
Est. Annual Utility Cost:	\$ 4,459.00	@\$ 1.40/sf
Est. Annual Janitorial Cost:	<u>\$ 3,503.50</u>	<u>@\$ 1.10/sf</u>
Total Annual Effective Cost:	\$41,094.50	@\$12.90/sf

Current Amount: 2,764 Square Feet

Annual Contract Rent:	\$22,440.00	@\$ 8.12/sf
Est. Annual Utility Cost:	\$ 3,040.40	@\$ 1.10/sf
Est. Annual Janitorial Cost:	<u>\$ 3,040.40</u>	<u>@\$ 1.10/sf</u>
Total Annual Effective Cost:	\$29,350.00	@\$10.32/sf

Type: New Lease – Advertise – Received eight (8) proposals from five (5) proposers

FRF Rate: \$12.50 per square foot

Purchase Option: Yes – 1thru 10 years

Lessor: David K. Quillen

Comment: The proposed lease provides (1) Lessor will build-to-suit 3,185 square feet of rentable office space, including interior improvements at no additional cost to the State, and (2) proposed lease has no cancellation for the first five years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF HEALTHLEASE AMENDMENT

Review of a request for APPROVAL of the following LEASE AMENDMENT for the rental of real property as required by TCA 12-2-115:

Location: Davidson County – 220 Athens Way, Nashville, TN – Trans. No. 04-07-904B (BK)

Purpose: To provide office space for operation

Term: September 1, 2006 thru May 31, 2016 (9 yrs. & 9 months)

Proposed Amount:	<u>24,433 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$378,711.50</u>	<u>@\$15.50/sf</u>
	Total Annual Effective Cost:	<u>\$378,711.50</u>	<u>@\$15.50/sf</u>

Current Amount:	<u>24,433 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$384,819.75</u>	<u>@\$15.75/sf</u>
	Total Annual Effective Cost:	<u>\$384,819.75</u>	<u>@\$15.75/sf</u>

Type: Amendment # 2 – Negotiated - Reduction in annual rent by \$0.25 per square foot.

FRF Rate: \$18.00 per square foot

Lessor: IPC MetroCenter, LLC

Comment: The proposed Amendment provides (1) a rent reduction, and (2) no cancellation during lease term except for cause and/or lack of funding.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF HUMAN SERVICESLEASE AMENDMENT

Review of a request for APPROVAL of the following LEASE AMENDMENT for the rental of real property as required by TCA 12-2-115:

Location: Davidson County – 220/220 Athens Way, Plaza Tower, Nashville, TN – Trans. No. 04-05-912 (BK)

Purpose: To provide office space for Determination Disability Services

Term: September 1, 2006 thru August 31, 2014 (8 yrs.)

Proposed Amount: 142,784 Square Feet
 Annual Contract Rent Incl. Annual
 Utility & Janitorial Cost: \$2,265,198.25 @\$15.86/sf
 Total Annual Effective Cost: \$2,265,198.25 @\$15.86/sf

Current Amount: 142,784 Square Feet
 Annual Contract Rent Incl. Annual
 Utility & Janitorial Cost: \$2,300,894.25 @\$16.11/sf
 Total Annual Effective Cost: \$2,300,894.25 @\$16.11/sf

Type: Amendment # 2 – Negotiated - Reduction in annual rent by \$0.25 per square foot.

FRF Rate: \$18.00 per square foot

Lessor: IPC MetroCenter, LLC

Comment: The proposed Amendment provides (1) a rent reduction, and (2) no cancellation during lease term except for cause and/or lack of funding.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF FINANCE AND ADMINISTRATIONLEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Knox County – 201 Center Park Drive, Suite 1100, Knoxville, TN – Trans. No. 06-01-900 (JS)

Purpose: To provide office space for East Tennessee area

Term: October 1, 2006 thru September 30, 2011 (5 yrs)

Proposed Amount: 8,000 Square Feet

Annual Contract Rent Incl. Annual		
Utility Cost:	\$70,800.00	@\$8.85/sf
Est. Annual Janitorial Cost:	<u>\$ 8,800.00</u>	<u>@\$1.10/sf</u>
Total Annual Effective Cost:	\$79,600.00	@\$9.95/sf

Current Amount: 8,000 Square Feet

Annual Contract Rent Incl. Annual		
Utility Cost:	\$66,399.96	@\$8.30/sf
Est. Annual Janitorial Cost:	<u>\$ 8,800.00</u>	<u>@\$1.10/sf</u>
Total Annual Effective Cost:	\$75,199.65	@\$9.40/sf

Type: New Lease – Advertise – Received two (2) proposals from two (2) proposers.

FRF Rate: \$14.00 per square feet

Purchase Option: No – Multi-tenant

Lessor: All Eleven, a Tennessee General Partnership, current lessor

Comment: The proposed lease provides (1) Lessor shall make tenant improvements at no additional cost to the State, (2) Lessor to provide utilities at no additional cost to the State, and (3) proposed lease has ninety (90) day State cancellation.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF FINANCE AND ADMINISTRATIONLEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Shelby County – 1407 Union Avenue, Suite 1300, Memphis, TN – Trans. No. 06-07-926 (BK)

Purpose: To provide office space for West Tennessee CSA operations

Term: August 11, 2006 thru August 10, 2007 (1 yr)

Proposed Amount: 7,654 Square Feet
 Annual Contract Rent Incl. Annual
 Utility & Janitorial Cost: \$103,331.76 @\$13.50/sf
 Total Annual Effective Cost: \$103,331.76 @\$13.50/sf

Current Amount: 19,699 Square Feet
 Annual Contract Rent Incl. Annual
 Utility & Janitorial Cost: \$253,022.04 @\$16.00/sf
 Total Annual Effective Cost: \$253,022.04 @\$16.00/sf

Type: New Lease - Negotiated

FRF Rate: \$17.00 per square feet

Purchase Option: No – Multi-tenant

Lessor: Royal MMT Partners, current lessor

Comment: The proposed lease provides no cancellation during the lease term except for cause and/or lack of funding.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF FINANCE AND ADMINISTRATIONLEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Washington County – 2514 ½ Wesley Street, Suites 1-6, Johnson City, TN – Trans. No. 06-03-914 (JS)

Purpose: To provide office space for Northeast operations

Term: January 1, 2007 thru December 31, 2011 (5 yrs)

Proposed Amount: 6,823 Square Feet

Annual Contract Rent Incl. Annual		
Utility Cost:	\$70,959.24	@\$10.40/sf
Est. Annual Janitorial Cost:	<u>\$ 7,505.30</u>	<u>@\$ 1.10/sf</u>
Total Annual Effective Cost:	\$78,464.54	@\$11.50/sf

Current Amount: 5,200 Square Feet

Annual Contract Rent:	\$48,100.00	@\$ 9.25/sf
Est. Annual Utility Cost:	\$ 5,720.00	@\$ 1.10/sf
Est. Annual Janitorial Cost:	<u>\$ 5,720.00</u>	<u>@\$ 1.10/sf</u>
Total Annual Effective Cost:	\$59,540.00	@\$11.45/sf

Type: New Lease – Advertise – Received only one (1) proposal from current lessor

FRF Rate: \$13.50 per square feet

Purchase Option: Yes – 1thru 5

Lessor: Shamrock Properties, Inc., current lessor

Comment: The proposed lease provides (1) Lessor to add 1,623 square feet of existing space to the currently leased 5,200 square feet including interior improvements at no additional cost to the State, (2) Lessor to provide utilities at no additional cost to the State, and (3) proposed lease has a 90-day State cancellation.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF SAFETYLEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Rutherford County – 5227 Murfreesboro Road, LaVergne, TN – Trans. No. 06-07-905 (BK)

Purpose: To provide emergency space for Driver's License Issuance station.

Term: September 1, 2006 thru August 31, 2007 (1 yr)

Proposed Amount: 3,600 Square Feet

Annual Contract Rent:	\$54,000.00	@\$15.00/sf
Est. Annual Utility Cost:	\$ 5,040.00	@\$ 1.40/sf
Est. Annual Janitorial Cost:	<u>\$ 3,960.00</u>	<u>@\$ 1.10/sf</u>
Total Annual Effective Cost:	\$63,000.00	@\$17.50/sf

Current Amount: New Requirement

Type: New Lease – Negotiated

FRF Rate: \$13.50 per square feet

Purchase Option: No – Multi-tenant

Lessor: LaVergne Plaza, LLC

Comment: The proposed lease provides (1) Lessor shall make tenant improvements at no additional cost to the State, and (2) the proposed lease provides no cancellation during the lease term except for cause and/or lack of funding.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF SAFETYLEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Shelby County – 2714 Union Extended, Memphis, TN – Trans. No. 06-07-906 (AL)

Purpose: To provide emergency space for Driver's License Issuance station.

Term: October 1, 2006 thru September 30, 2007 (1 yr)

Proposed Amount: 4,000 Square Feet

Annual Contract Rent Incl. Annual		
Utility & Janitorial Cost:	<u>\$60,000.00</u>	<u>\$15.00/sf</u>
Total Annual Effective Cost:	<u>\$60,000.00</u>	<u>\$15.00/sf</u>

Current Amount: New Requirement

Type: New Lease – Negotiated

FRF Rate: \$16.00 per square feet

Purchase Option: No – Multi-tenant

Lessor: CP Union, LLC

Comment: The proposed lease provides (1) Lessor shall make tenant improvements at no additional cost to the State, (2) Lessor to provide utilities and janitorial services at no additional cost to the State, and (3) the proposed lease provides no cancellation during the lease term except for cause and/or lack of funding.

SSC Report: 8-14-06. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONNORRIS DAM STATE PARK, ANDERSON COUNTY, TENNESSEE

- 1) Review of a request for APPROVAL of a PROJECT for **Demolition of Water Plant Facility** at Norris Dam State Park, Anderson County, with all work to be performed by in-house forces at no cost to the State.

Estimated Project Cost: **\$0.00**

SBC Project No. *126/063-01-2006*

The facility was constructed around 1970 and was abandoned about 15 years ago when the Park connected to the local water utility.